AMENDED IN ASSEMBLY APRIL 23, 2001

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 360

Introduced by Assembly Member Wesson

February 16, 2001

An act to amend Section 14602.6 of the Vehicle Code, relating to vehicle impoundment.

LEGISLATIVE COUNSEL'S DIGEST

AB 360, as amended, Wesson. Vehicle impoundment. Existing

(1) Existing law allows peace officers to impound vehicles driven by persons whose driving privileges are suspended or revoked or who have never been issued a driver's license. Under existing law, the agencies that impound vehicles are required to notify the legal owner of an impounded vehicle that his or her vehicle has been impounded. Existing law further provides that the registered owner of an impounded vehicle is entitled to a hearing regarding the validity of, and any mitigating circumstances attendant to, the storage of the impounded vehicle. Existing law also requires that, under specified circumstances, impounding agencies release impounded vehicles to registered owners within 30 days of impoundment.

This bill would require that when authorize a peace officer considers impounding a vehicle due to the fact that to release a vehicle to the registered owner if the registered owner is present and has a valid driver's license when the peace officer determines the driver either lacks a driver's license or has had his or her driving privileges suspended or revoked, if the registered owner of the vehicle is present and has a valid

AB 360 — 2 —

driver's license, the officer consider releasing the vehicle to the registered owner. This bill would also require impounding agencies to have a published phone telephone number dedicated to giving information regarding vehicle impoundment and the rights of registered owners to request a hearing regarding the storage of their vehicles. This bill would also require that an impounding agency release an impounded vehicle to the registered owner within 30 days of impoundment if the vehicle was seized for an offense that does not authorize seizure of a vehicle or if the person driving the vehicles vehicle reinstates or acquires his or her driver's license and proper insurance. Finally, this bill would direct the Department of Motor Vehicles and the California Highway Patrol to educate the public regarding the fact that a vehicle driven by an unlicensed driver can be impounded, even where the driver is not the vehicle's owner.

Because this bill would create new duties for impounding agencies, this bill would impose a state-mandated local program.

The

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14602.6 of the Vehicle Code is amended 2 to read:
- 3 14602.6. (a) Whenever a peace officer determines that a
- 4 person was driving a vehicle while his or her driving privilege was 5 suspended or revoked or without ever having been issued a *driver's*
- 6 license, the peace officer may either immediately arrest that person
- 7 and cause the removal and seizure of that vehicle or, if the vehicle

-3- AB 360

is involved in a traffic collision, cause the removal and seizure of the vehicle, without the necessity of arresting the person in accordance with Chapter 10 (commencing with Section 22650) of Division 11. Prior to seizing the vehicle, if the registered owner of the vehicle is present and has a valid driver's license, the peace officer shall consider releasing may release the vehicle to that individual. A vehicle so impounded shall be impounded for 30 days.

The impounding agency, within two working days of impoundment, shall send a notice by certified mail, return receipt requested, to the legal owner of the vehicle, at the address obtained from the department, informing the owner that the vehicle has been impounded. Failure to notify the legal owner within two working days shall prohibit the impounding agency from charging for more than 15 days' impoundment when the legal owner redeems the impounded vehicle. The impounding agency shall maintain a published phone telephone number dedicated to giving information regarding the impoundment of vehicles and the rights of a registered owner to request a hearing.

- (b) The registered and legal owner of a vehicle that is removed and seized under subdivision (a) or their agents shall be provided the opportunity for a storage hearing to determine the validity of, or consider any mitigating circumstances attendant to, the storage, in accordance with Section 22852.
- (c) Any period in which a vehicle is subjected to storage under this section shall be included as part of the period of impoundment ordered by the court under subdivision (a) of Section 14602.5.
- (d) (1) An impounding agency shall release a vehicle to the registered owner or his or her agent prior to the end of 30 days' impoundment under any of the following circumstances:
 - (A) When the vehicle is a stolen vehicle.
- (B) When the vehicle is subject to bailment and is driven by an unlicensed employee of a business establishment, including a parking service or repair garage.
- (C) When the license of the driver was suspended or revoked for an offense other than those included in Article 2 (commencing with Section 13200) of Chapter 2 of Division 6 or Article 3 (commencing with Section 13350) of Chapter 2 of Division 6.
- (D) When the vehicle was seized under this section for an offense that does not authorize the seizure of the vehicle.

AB 360 - 4 —

1 2

3

4

5

9

10 11

12

13

14

15

16 17

18

19

20

21

22

23

24

25 26

27

28

30

31

32

33

35

36 37

38

(E) When the driver reinstates his or her driver's license or acquires a driver's license and proper insurance.

- (2) No vehicle shall be released pursuant to this subdivision, except upon without presentation of the registered owner's or agent's currently valid driver's license to operate the vehicle and proof of current vehicle registration, or upon order of a court.
- (e) The registered owner or his or her agent is responsible for all towing and storage charges related to the impoundment, and any administrative charges authorized under Section 22850.5.
- (f) A vehicle removed and seized under subdivision (a) shall be released to the legal owner of the vehicle or the legal owner's agent prior to the end of 30 days' impoundment if all of the following conditions are met:
- (1) The legal owner is a motor vehicle dealer, bank, credit union, acceptance corporation, or other licensed financial institution legally operating in this state or is another person, not the registered owner, holding a security interest in the vehicle.
- (2) The legal owner or the legal owner's agent pays all towing and storage fees related to the seizure of the vehicle. No lien sale processing fees shall be charged to the legal owner who redeems the vehicle prior to the fifteenth day of impoundment.
- (3) The legal owner or the legal owner's agent presents foreclosure documents or an affidavit of repossession for the vehicle. The foreclosure documents or affidavit of repossession may be originals, photocopies, or facsimile copies, or may be transmitted electronically.
- (g) (1) A legal owner or the legal owner's agent that obtains release of the vehicle pursuant to subdivision (f) shall not release the vehicle to the registered owner of the vehicle or any agents of the registered owner, unless the registered owner is a rental car agency, until after the termination of the 30-day impoundment period.
- (2) The legal owner or the legal owner's agent shall not 34 relinquish the vehicle to the registered owner until the registered owner or that owner's agent presents his or her valid driver's license or valid temporary driver's license to the legal owner or the legal owner's agent. The legal owner or the legal owner's agent shall make every reasonable effort to ensure that the license presented is valid.

__ 5 __ AB 360

(3) Prior to relinquishing the vehicle, the legal owner may require the registered owner to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the legal owner in connection with obtaining custody of the vehicle.

- (h) (1) A vehicle removed and seized under subdivision (a) shall be released to a rental car agency prior to the end of 30 days' impoundment if the agency is either the legal owner or registered owner of the vehicle and the agency pays all towing and storage fees related to the seizure of the vehicle.
- (2) The owner of a rental vehicle that was seized under this section may continue to rent the vehicle upon recovery of the vehicle. However, the rental car agency shall may not rent another vehicle to the driver of the vehicle that was seized until 30 days after the date that the vehicle was seized.
- (3) The rental car agency may require the person to whom the vehicle was rented to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the rental car agency in connection with obtaining custody of the vehicle.
- (i) Notwithstanding any other provision of this section, the registered owner and not the legal owner shall remain responsible for any towing and storage charges related to the impoundment, any administrative charges authorized under Section 22850.5, and any parking fines, penalties, and administrative fees incurred by the registered owner.
- SEC. 2. The Department of Motor Vehicles, in conjunction with the California Highway Patrol, shall educate the public regarding the fact that a vehicle driven by an unlicensed driver can be impounded even if the driver does not own the vehicle.
- SEC. 3. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000),

AB 360 <u>-6</u>-

- 1 reimbursement shall be made from the State Mandates Claims2 Fund.